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October 9, 1980

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U.S. Attorney's Office  
Northern District of Ohio

OCT 10 1 38 PM '80

U.S. ATTORNEY  
CLEVELAND, OHIO



Subject: Chemical Recovery Systems

Enclosed you will find:

The press release issued by our Media Services office upon filing of this case  
The Case Development Plan which gives the background of this case as of early 1980  
Orders, and "Journal Entries" issued regarding Chem Recovery by the State Fire  
Marshal and the City of Elyria

A file of materials on the interaction of CRS and the State Fire Marshal and the city  
A file of miscellaneous factual information, including trip reports, sample results,  
and affidavits.

Some background: the State Fire Marshal has been concerned about the CRS site for quite a while, in terms of possible fire hazards; the city has viewed it as a smelly, unsightly mess; OEPA has expressed some concern about leachate/runoff into the Black River, and installed a boom to contain it. As you will note from the enclosed documents, none of them has addressed the problem of soil contamination or possible groundwater contamination. CRS' record of compliance with earlier orders and "Journal Entries" has been poor.

As you will note from the enclosed trip reports, USEPA personnel have inspected and sampled the CRS site on several occasions. In addition, we were in contact with the CRS attorney by phone and in person during the summer to attempt to work out a consent decree, preferably in conjunction with the city's efforts in the same direction. To a certain extent, we achieved results--as you will note, CRS has begun to label its drums, and to clear their property of solvent sludge drums. But CRS refused to consider any measures to ascertain or remedy soil and groundwater contamination, and the city refused to raise those issues in its proceedings. We made it clear that we considered the matter crucial and would be obliged to take action ourselves if it could not be resolved by negotiation or city action. Obviously, we are still open to negotiation on these issues, and hope to resume talks with CRS in the near future.

Pursuant to a plan to purchase the CRS site, Harshaw Chemicals did a series of soil borings earlier this year, to which reference is made in some of the documents enclosed here. So far, CRS has refused to allow Harshaw to release the results to us--we feel that those results might obviate the necessity of further testing to determine soil and groundwater contamination, or at the very least, provide geological data which would save us time in setting up our own testing. CRS' reluctance to provide the information suggests that it may be damaging to their case in some way. We have prepared TSCA subpoenas to Harshaw for the information. The proposed sale of the site to Harshaw has been in the works for at least a year, and may or may not be intended seriously on either side.

CRS in Elyria is a subsidiary of CRS in Michigan, with whom we have also been in contact. CRS in Michigan has been involved in legal proceedings with the Michigan Department of Natural Resources, which were ultimately successfully resolved--we have materials from those proceedings if you feel they would be relevant.

Please assume that all the enclosed materials are originals, and copy and return them as soon as you can. Sorry for the failure in communication. Call me if you need clarification on the enclosed materials.

Marian Neudel

A handwritten signature in dark ink, appearing to be 'M' followed by a stylized flourish.



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## environmental news

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### EPA LAWSUIT DEMANDS CLEANUP OF HAZARDOUS CONDITIONS AT NORTHERN OHIO CHEMICAL RECYCLING COMPANY

John McGuire, U.S. Environmental Protection Agency (EPA) Midwest Region V administrator, announced today the filing of a lawsuit to force cleanup of dangerous waste conditions at an Elyria, Ohio chemical recycling facility.

The lawsuit alleges that the site belonging to Chemical Recovery Systems, Inc. (CRS), poses a serious fire hazard from improper handling and labeling of flammables such as toluene, methyl ethyl ketone, xylene and aromatic hydrocarbons.

Moreover, the suit says, improper distilling practices and storage techniques have caused discharges into the adjacent Black River of a wide range of toxic substances, including the carcinogens hexachloroethane, tetrachloroethene and polychlorinated biphenyls (PCB's). The CRS site, at 142 Locust St., Elyria, is situated on the banks of the river, which flows into Lake Erie.

(MORE)

The defendant company operates a solvent recovery business at the Locust Street site, taking in spent solvents from industry and distilling them for re-use. The suit alleges that the company uses connections and tanks not designed for its redistilling purpose, resulting in leakage and evaporation of flammable and potentially explosive solvents.

Processed sludges have been stored in leaking and deteriorated drums stacked on the banks of the Black River, where they could easily fall into the water. In addition, the suit alleges, leakage of these sludges has contaminated the soil on the riverbank.

These conditions have resulted in contamination of the river by substances leaching off the property.

"U.S. EPA is demanding that CRS formulate and put into action a plan for cleanup of the site, safe and lawful disposal of solvent sludges, safe operation of the distilling apparatus, proper fencing and security, and sampling of soil and water," McGuire said.

The court action was filed for EPA by Assistant U.S. Attorney Kathleen A. Sutula in the U.S. Court for the Northern District of Ohio, at Cleveland. The suit was brought under authority of Section 7003, of the Resource Conservation and Recovery Act which authorizes the U.S. Government to take legal action when hazardous waste materials present an imminent and substantial endangerment to public health and the environment.

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